

Together let's drive *the change!*

As a global pharmaceutical company, we have a responsibility to play our part in addressing some of the world's most pressing challenges.

Together, we can do more

We have aligned our Corporate Social Responsibility (CSR) Strategy with our “Play to Win” Business Strategy focusing on four distinct pillars:

- Affordable Access,
- R&D for Unmet Needs,
- Planet Care,
- In and beyond the Workplace.

Aligned with our CSR and HSE strategies, Sanofi will require and support suppliers to act on sustainability commitments, diversity and conduct of business.

To amplify our impact in the pharmaceutical and healthcare supply chain, we are actively contributing to the Pharmaceutical Supply Chain Initiative (PSCI) and supporting its principles for Responsible Supply Chain Management. These principles are described in our Supplier Code of Conduct.



sanofi

This guide covers the 3 key building blocks of Sanofi's Sustainable Procurement roadmap, aligned with Sanofi's HSE and CSR strategies:

01. We contribute to *Planet Care*



Climate change

Water stewardship and PIE

Waste management

Eco-design

Biodiversity

02. We build a *Responsible Business*



Duty of care

Human rights

03. We care about *People*



Supplier diversity

Health & safety

It also highlights the areas we expect our suppliers to support in advancing on our sustainability roadmap.



01. We contribute to Planet Care

Beyond healthcare, Sanofi cares for the planet by minimizing the environmental impacts of its products and activities while strengthening its resilience to environmental changes. This covers the entire life cycle of the products with the following key ambitions:

Build the path to **carbon neutrality by 2030** and **net zero emissions by 2050** (1.5°C global warming trajectory).

Limit Sanofi environmental footprint and adopt circular solutions.

Improve environmental profile of Sanofi products by delivering eco-innovative products.



Climate change

Sanofi was scored “A” on the CDP’s* Climate change questionnaire in 2021. In the journey towards carbon neutrality and net zero emissions, Sanofi commits to:

From 2019 to 2030, reducing its *Greenhouse Gas (GHG) emissions*

from its activities
(scopes 1 & 2)...

by **55%**

...and those linked to its value chain
(scope 3)

by **30%****

These objectives are validated by the Science Based Target Initiative (SBTi).

Sourcing

100% renewable electricity

across all our global operations **by 2030** as a member of the RE100 initiative.

What can we achieve together?

64% of Sanofi carbon emissions are generated by the purchase of goods, service, and capital goods. Therefore, we want our main emitters to:

- set **objectives in the path of carbon neutrality by 2030** (incl. setting a Net Zero emissions science-based target in line with a 1.5°C trajectory),
- move to **100% Renewable electricity by 2030**. (for example via the Energize program)

*Disclosure Insight Action

**14% reduction target already validated by the Science Based Target initiative, new 30% target under validation.



Water stewardship and Pharmaceuticals In the Environment

Sanofi was scored “A” on the CDP* water security through questionnaire in 2021, and commits to limiting and improving its water footprint:

Water stewardship & efficiency plans implemented on highly exposed sites by 2025.

Water stewardship & efficiency plans in place on all manufacturing sites by 2030.

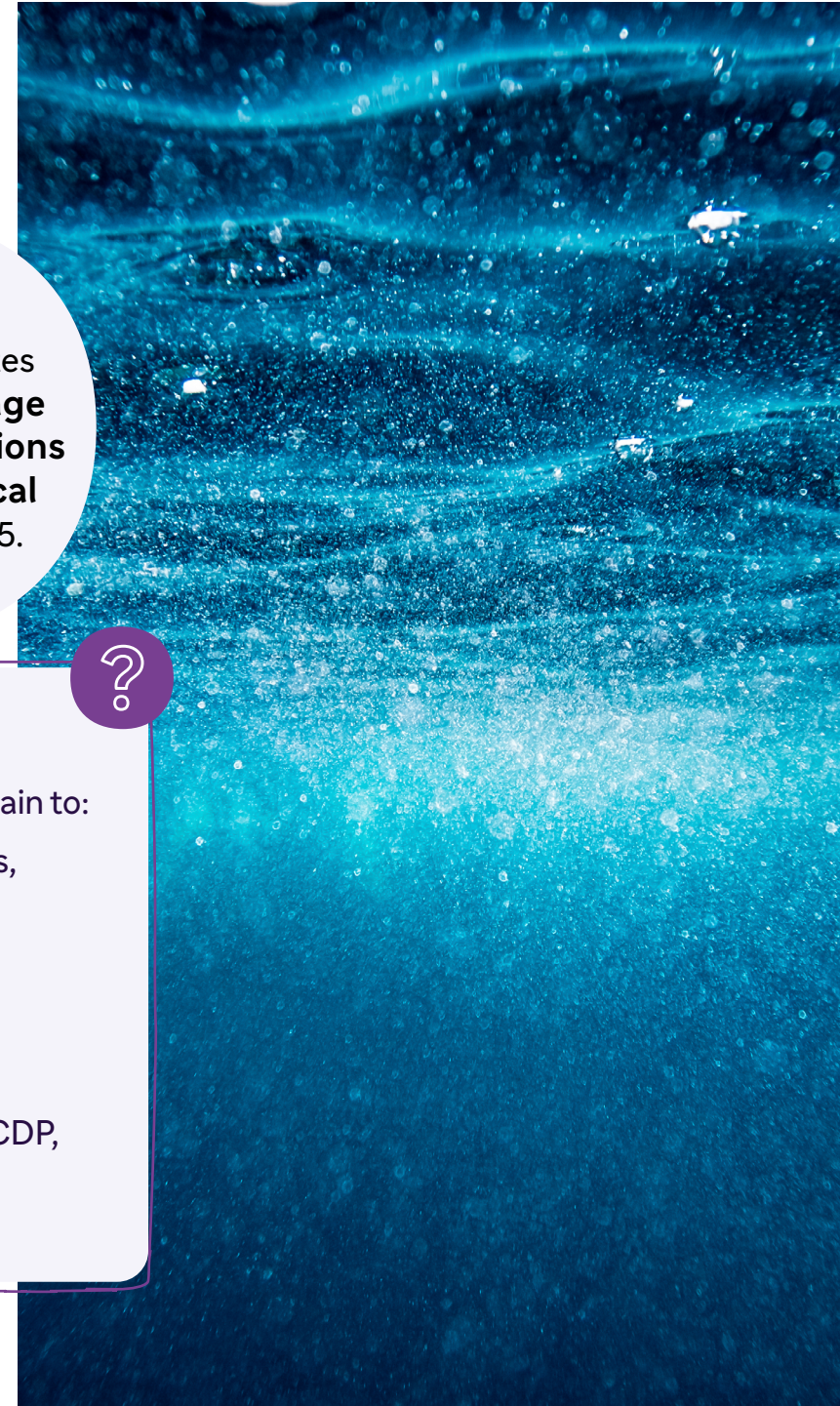
Plans for all manufacturing sites to **monitor, manage and reduce emissions of pharmaceutical residues** by 2025.



What can we achieve together?

We expect our partners to contribute and engage with their own supply & value chain to:

- **define a global water roadmap** and consider context-based water targets,
- improve **water efficiency** and monitor **water quality**,
- control and reduce emissions in water through effective **wastewater treatment and consider water recycling**,
- assess **water usage** and **impact of emissions**,
- demonstrate **transparency** and consider disclosing performance through CDP,
- **minimize the release of antibiotics** in the environment in line with AMR industry alliance manufacturing framework.





Waste management

Any waste with potential to adversely impact human or environment health shall be appropriately managed, measured, controlled and treated prior to release into the environment. Hence, Sanofi is committed to limiting its environmental footprint and aims for circular solutions.

100%
Sanofi sites will
be **landfill-free**
by 2025

More than
90% of waste
will be
**reused, recycled
or recovered**
by 2025



What can we achieve together?

Sanofi suppliers should implement a proper waste management strategy and measure their performance to reach zero solid waste to landfill.

We expect our suppliers to align with the following logic:

- **avoid waste production** and **reduce waste** flow at the source,
- **reuse, recycle and recover** on-site or with selected validated providers,
- **incinerate** with energy recovery wherever possible,
- **send waste to authorized landfills** as a solution of last resort (only if the landfill complies with local regulations and control systems).





Eco-design

Environmental protection is a driving force of people's health journey.

With our eco-design approach, we are committed to **reducing our products environmental profile** across their entire value chain: from raw material extraction and transformation, manufacturing, distribution up to our patients, all the way up to the end-of-life treatment by considering multi-impact indicators (e.g climate change, water scarcity, resources use) and engaging our people, patients and partners to transform healthcare practices for a more sustainable future.

We have set up ambitious Eco-design commitments:

By 2025,
100% of our new
products will be
eco-designed

By 2027,
100% of our vaccines
packaging will be
blister-free

By 2030,
100% of our
top-selling products will
be **eco-designed**

What can we achieve together?

We expect our partners to:

- Follow **Green Chemistry and Eco-design principles**,
- Support Sanofi needs for primary data or LCA results (aligned with ISO 14040/44) on purchased goods to better assess understand our products environmental profile.

Alignment with the above-mentioned principles can be demonstrated with recognized certificates.





Biodiversity

We are committed to complying with **international agreements** (e.g. Nagoya Protocol, Convention on Biological Diversity) and to ensuring we do not use endangered or recognized protected natural resources and their derivatives. Sanofi is also member of Act4Nature International.

Our commitments:

Biodiversity protection programs implemented on all priority sites located near sensitive areas by 2025.

Biodiversity initiatives on all sites by 2030.



What can we achieve together?

We encourage our suppliers to:

- **ban trading with CITES*** listed species,
- comply with **international conventions and national regulations** on preserving biodiversity,
- adhere to the **Nagoya Protocol**,
- ensure raw materials are **sourced in a sustainable way**,
- assess and address **potential impact of their facilities** on surrounding biodiversity.



*CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora





How can we support your contribution to Sanofi Planet Care?

We have set up a specific supplier assistance framework that includes:



maturity assessments,



training curriculums: available through the Pharmaceutical Supply Chain Initiative (PSCI) or as part of specific company led programs,



joint Action Plan definition,



forum for discussion and best practice sharing.

02. We build a responsible business

Duty of care

Sanofi aims to minimize risks and create stable, long-term business relationships with selected partners, that are screened through a **risk-based approach**.

For purchasing categories considered as risky from a sustainability standpoint, suppliers are either audited (most critical vendors), or **subject to due diligence**.

We measure the quality of our suppliers' sustainability management system with the support of Ecovadis.

These measures are becoming increasingly important to assess the status of supplier sustainability credentials and their commitment to supporting the environment.

To promote a culture of ethics and integrity and to comply with anti-corruption regulations, we also conduct **anti-bribery due diligence** on targeted vendors.

Our responsible business program is completed by other ad hoc due diligences (e.g. Conflict Minerals).



What can we achieve together?

It is our shared responsibility to build a responsible business through the implementation of a **robust internal framework** and the conduction of systematic, **risk based due diligences** with our respective supply chains. To reduce methodically the risks related to our activities, we expect you to:

- **respond to Sanofi's inquiries** in a timely manner,
- **implement corrective action plans** in case of major deviation and/or low score (e.g. if your Ecovadis score is below 45),
- **proactively report any major sustainability issue** to Sanofi.

How can we support you?

In order to avoid duplication for our partners, we mostly rely on **standard questionnaires (like Ecovadis, CDP)**.

The maturity level from our partners might vary with their size and resources. Therefore, suppliers that do not reach minimum scores are not excluded by default. We rather monitor the improvement of their sustainability performance.



Human rights

Sanofi is committed to **respecting and promoting human rights**, consistent with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights.

As a signatory to the **United Nations Global Compact** since 2003, we are vigilant on issues covered by the **Fundamental Conventions of the International Labour Organization (ILO)** including prohibition of child labour and forced labour, respect of freedom of association.

Sanofi expects its suppliers, contractors and external partners to meet its human rights commitments included in the **Sanofi Suppliers' Code of Conduct (available on our Supplier website)**. Respect for human rights is a critical consideration in Sanofi's choice of suppliers and the deepening of our relationships.





What can we achieve together?

We expect our suppliers to strictly comply with international human rights treaties, without prejudice to more favorable national laws. In particular, suppliers must:

Child labour

Neither engage nor support any forms of child labour, hence not employ any person under the age of 15 or any person under the age of 18 for hazardous work.

Forced labour and modern slavery

- Neither engage nor support worker exploitation, amounting to forced labour.
- Give employees the right to enter employment voluntarily and freely, without the threat of penalty and the right to freely terminate employment voluntary.

Discrimination

- Not tolerate any forms of discrimination.
- Treat all employees equally, regardless of any characteristics other than their ability to do their jobs.

Working hours

- Offer decent working conditions to their employees.
- And in particular respect working time in accordance with national legislation.

Violence and harm

Respect the physical or psychological integrity of persons.

Freedom of association

- Recognize that all employees are free to form and/or join a workers' organization of their own choice.
- Not interfere with this right.

Wages and fringe benefits

- Guarantee that wages are paid regularly.
- Enable employees and their families to meet their basic needs.





03. We care about people

Supplier diversity

Supplier diversity is an integrated business practice to proactively procure products and services from diverse and small businesses that mirror the diversity of the various communities in which Sanofi operates.

It is reflective of our workforce, patients, customers, and supplier base. We want to engage with diverse communities to positively impact the society we live and work in.

“Our Supplier Diversity program is about intentional, inclusive and responsible sourcing. It is about encouraging social economic growth, stimulating innovation and strengthening the supply chain by creating equal opportunities for small and diverse businesses that can act as catalyst to bottom-line growth.”

Rakhi Agarwal,
Global Head
of Supplier Diversity.

Sanofi commits to:



Doubling
**woman-owned
business** expenditure
and spending over
€1.5 billion
with small and diverse
businesses by 2025.

Strengthening
communities'
**economic
engagement**
in partnership
with its non-diverse
suppliers.

Including
**diversity
and inclusion**
requirements with
top partners
at global level.



What can we achieve together?

We encourage you to become partners in our Diversity, Equity and Inclusion (DE&I) ambitions and:

- **propose mutually beneficial initiatives related to DE&I** which Sanofi can partner on with its suppliers,
- **collaborate and share** insights and benchmarks,
- **report your spend** with small and diverse suppliers,
- **if you are a diverse supplier, self-identify on our portal** (available on our Supplier Website) and register with us to provide you access to the business opportunities that may arise in your domains.



How can we support small and diverse businesses?

Together, we shall:

Ensure Diversity & Inclusion is a component of every business opportunity.

Engage and collaborate with all of our suppliers to share best practice and learnings.

Provide training and guidance to small and diverse suppliers through **dedicated mentorship program**.



Health & safety

Sanofi is committed to protecting the health and safety of employees, contractors, and communities, through:

Rigorous policies to identify, evaluate and effectively mitigate safety risks

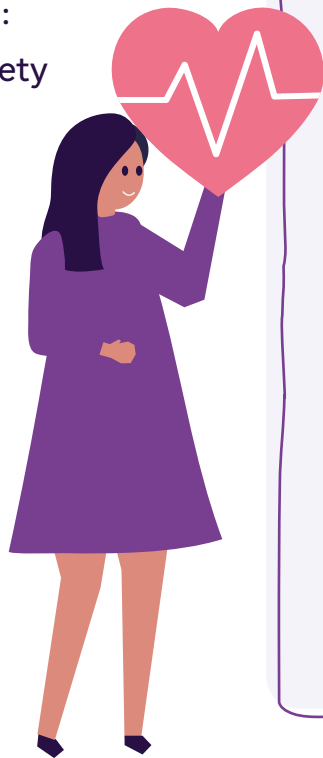
Investment in **training and information** to maintain a culture of safety

Dedicated programs to offer a safe and healthy workplace for employees

How can we support you?

As part of the Pharmaceutical Supply Chain Initiative (PSCI), we provide the following:

- shared health and safety trainings,
- reduction of the inspection burden through shared health and safety audits,
- improvement and harmonization of industry-specific health and safety standards.



What can we achieve together?

We expect you to provide a **safe and healthy working environment for all employees and contractors** in your sites.

Workers' health, safety protection:

- programs to prevent physical hazard, over-exposure to dangerous materials, catastrophic events and major business interruption,
- maintenance of buildings, operations, equipment in the safest manner,
- conduction of specific risk analyses for most the most hazardous processes.

Hazard information and training:

- workplace safety information available to any worker, notably information about hazardous substances used.

Emergency preparedness and response:

- identification and assessment of possible workplace emergency situations,
- mitigation of their impact inside/outside your sites by implementing safety barriers, emergency response plans and procedures.



Sanofi Suppliers Sustainability Checklist



- ☒ Review and sign Sanofi Suppliers' Code of Conduct.
- ☒ Complete our training programmes on PSCI.
- ☒ Commit to Carbon Neutrality by 2030.
- ☒ Commit and set targets according to SBTi (Science Based Targets).
- ☒ Commit to 100% renewable electricity by 2030.
- ☒ When requested by Sanofi, complete Ecovadis questionnaire.
- ☒ When requested by Sanofi, consider completing CDP (Climate, Water and Forest questionnaire).
- ☒ Partner with us on environmental initiatives and biodiversity, align with our recommendations on:
 - Water Stewardship and Pharmaceuticals in the environment,
 - Waste Management (Zero solid waste to landfill),
 - Eco-design (Green Chemistry and Eco-Packaging principles).
- ☒ When requested by Sanofi, provide certification to ensure raw materials are sourced in a sustainable way.
- ☒ Strictly comply with International Human Rights treaties.
- ☒ Partner with us as advocates in Supplier Diversity.
- ☒ Share any relevant Best Practice.



If you have questions related to our commitments and how you can support, please contact us at sustainable.procurement@sanofi.com

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